Old

MEDICAID SERVICES MANUAL
TRANSMITTAL LETTER

June 10, 2008

MEMORANDUM

TO: CUSTODIANS OF MEDICAID SERVICES MANUAL

FROM: JOHN A. LIVERATTI, CHIEF OF COMPLIANCE

SUBJECT: MEDICAID SERVICES MANUAL CHANGES
CHAPTER 1300 – DME, DISPOSABLE SUPPLIES
AND SUPPLEMENTS

BACKGROUND AND EXPLANATIONS

These proposed revisions to Chapter 1300 are being made to provide guidance to the Durable Medical Equipment, Prosthetics, Orthotics, and Disposable Medical Supplies (DMEPOS) providers and ordering physicians/practitioners on their responsibilities as Medicaid providers in the acquisition of medical devices for Medicaid recipients, including documentation and prior authorization requirements. The revisions are pursuant to, and incorporate new mandates by the Centers for Medicare and Medicaid Services (CMS) in 42 CFR 410 Subpart B 410.38 related to acquisition of power wheelchairs, and Nevada Medicaid's need to improve the process and documentation requirements to justify the medical need for the many distinct features of mobility products.

This revision includes the development of a Mobility Assessment form as part of the prior authorization process for mobility devices, wheelchair accessories, and seating systems. The use of this form will improve coordination of services and ensure that the DME provider, ordering physician/practitioner, and seating specialist are all in agreement that the devices requested will best meet the needs of the recipient. The use of this form will improve the completeness and accuracy of the prior authorization information received by the QIO-like vendor, to enable them to make decisions based on medical necessity.

In addition to the above-mentioned revisions, the following administrative revisions are being proposed:

The References and Cross References Section was updated to be more user-friendly. It now includes additional Medicaid Service Manuals and clarifies Manual title changes. The Forms section was revised to include Medicaid-specified Prior Authorization forms, including the new Mobility Assessment for Wheelchairs, Wheelchair Accessories, and Seating Systems. The Provider Resources section was outdated and revised to provide clarification of contact information and to ensure web addresses are current.

Appendix A – Non Covered Items was replaced pursuant to the Medical Care Advisory Committee (MCAC) discussions, federal regulations at 42 U.S.C. 1396(a)(17) and 42 CFR 440.230(d), and to provide clarity of items considered not primarily medical in nature which are excluded from coverage under the DMEPOS program. The revision is titled Appendix A – Non-covered Services and organizes the items in an easy-to-review format, provides statutory authority for the State to establish reasonable standards and limitations of coverage, and provides a process for case-by-case program exceptions based on medical necessity.

It is anticipated these revisions will have no adverse or financial impact on the providers and will actually provide clarity, and ultimately ensure the appropriateness of devices issued to Medicaid recipients.

MATERIAL TRANSMITTED **MTL 11/08** Chapter 1300 – DME, Disposable Supplies & Supplements	MATERIAL SUPERSEDED **MTL 14/07, 23/03, 35/04** Chapter 1300 - DME, Disposable Supplies & Supplements
Table of Contents – revised to reflect changes and accommodate new policy sections.	Deleted Table of Contents, i
Section 1300 – Added "the Nevada Check Up Manual 1000"	Deleted "3700"
Section 1302 - Definitions Renumbered section to accommodate two new definitions.	
Section 1302.5 Added definition for Durable Medical Equipment Medicare Administrative Contractors (DME MAC)	
Section 1302.6 Added definition for Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) consistent with 42 CFR 424.57(a) and accepted by the provider community.	**Section 1302.8** Deleted title "Prosthetics" and definition.
Section 1302.9 Changed title from "Prosthetics" to "Prosthetic Devices" and changed definition consistent with 42 CFR 440.120(c). Renumbered.	

Section 1303 - Policy
Section renumbered to accommodate new policies.

Section 1303.1
Added new title "Documentation Requirements" to expand on the various types of documentation required by providers for prior authorizations and post-payment utilization reviews.

Section 1303.1
Removed … "OF ORDERS" from title

Section 1303.1.A.1. a. and b.
Created subtitle "Orders / Prescriptions" and expands policy to include distinction between verbal and written orders and the requirements for each.
Changed numbering format.

Section 1303.1.a. - b.
Replaced "Documentation of Orders" title.
Removed references to "Certificate of Medical Necessity (CMN)".

Section 1303.1.A.2
New-added subtitle: "Detailed Product Description" to identify documentation requirements that describe the exact item dispensed and its warranty information.

Section 1303.1.A.3
New-added subtitle: "Proof of Delivery (POD)" and explains the POD is the document needed to prove items were dispensed; provides protection for both the provider and recipient.

Section 1303.1.A.4
New-added subtitle: "Additional Medical Records" to clarify that any additional medical records provided to support necessity for supplied item(s) will need to be maintained by the provider.

Section 1303.1.A.5
New-added subtitle: "Advanced Determination of Medicare Coverage (ADMC)" to show Medicare's coverage decision as part of Medicaid's prior authorization process.

Section 1303.1.B. 1-3
New-added title: "Provider Responsibilities" for obtaining and maintaining documentation.

Section 1303.3 a. and b.
Clarified terminology "delivery receipt", "Proof of Delivery (POD)" and "Bill of Lading (BOL)" for consistent language. Adds requirements for information required on the delivery receipt, "make and model" and "date and time of delivery".

Section 1303.3 a. and b.
Deleted "delivery slip", "tracking slip", "tracking log". Deleted reference to administrative override related to claims.

Section 1303.4.A.- D. "Prior Authorization"
Added numbering to section.
Revised significantly and enhanced to provide detailed information on the PA process, submission and documentation requirements, follow-up actions for denied PAs, provider and recipient responsibilities, and to provide references and links to the Billing Manuals, the DMEPOS Fee Schedule, and On-line PA System (OPAS), and other references. Provided specific guidance to providers regarding information necessary to be submitted with, and to be considered in the medical justification for the item(s) requested on the PA. Explained the allowance for exceeding program limitations and for potential coverage of item(s) not identified in the DMEPOS Fee Schedule or without specific coverage policies.

Added: Cross reference to Chapter 100 for TPL PA requirements; policy regarding PA requirements in emergency situations; all Medicaid DMEPOS PA-related forms (including a new form "Mobility Assessment for Mobility Devices, Wheelchair Accessories, and Seating Systems"); explanation of follow-up procedures for denied PA requests; coverage and limitations; detailed information for provider and recipient responsibilities in the PA process.

Section 1303.4 "Prior Authorization"
Deleted all language.

Section 1305
Changed numbering format

Section 1305.1
Added subtitles "Manuals", and "Medicaid Services Manuals". Updated Medicaid Services Manual (Chapter) information, including additional manuals and title changes.

Section 1305.2 - Forms
Updated to add Medicaid-specified DME Prior Authorization forms, both electronic and hard copy versions.
Renumbered.

Section 1305.3
Changed title to "Provider Resources / Contacts". Updated with current contact information.

Appendix A, pages 1-3
Added title: "Non-covered Services"
Added numbering to section. Added categories and list of items that are not considered primarily medical in nature and are non-covered services under the DMEPOS program. Added Nevada Medicaid's authority to establish reasonable standards and program limitations. Added special consideration process on a case-by-case basis to review requests for non-covered services, based on evidence of recipient's medical necessity.

Appendix B – page 1
Grammar correction to header and corrected name to "Administrative", and changed web address which became effective March 1, 2008.

In Equipment header, corrected typographical error to "OXYGEN".

Appendix B - DME Coverage and Limitations Guidelines

Section 1305
Moved listing of Chapters into "Manuals"

Deleted 1305.1 "Forms"

Deleted 1305.2 "Provider Resources"

Appendix A, single page
Deleted "Non-covered Items" and list.

Appendix B, page 1
Deleted error "Administrator"
Deleted error "OXYGENT"

Appendix B - DME Coverage and Limitations Guidelines
Deleted "Ambulatory Aids" section and

Added new section: "Mobility Assistive Equipment (MAE)" to significantly expand on and identify the types of products available, the qualifications (including mobility limitations related to performance of Mobility Related Activities of Daily Living (MRADL)), documentation requirements for each covered item, and limitations of coverage.

Added coverage policies for a crutch substitute and each specific type of wheelchair (manual, manual specialty, power operated vehicles, and power), wheelchair accessories, and seating systems.

Added requirements for use of the Mobility Assessment for Mobility Devices, Wheelchair Accessories, and Seating Systems, form found on the QIO-like vendor's website.

language, including coverage requirement for recipient to be "confined to a bed or chair".